



Family Investment Program

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Purpose

The goal of Iowa's Family Investment Program (FIP) is to gain self-sufficiency for needy families with children. FIP provides cash assistance, along with employment and training services, in return for an agreement that recipients will work toward self-sufficiency. There is a five-year lifetime limit for receiving FIP benefits, with exceptions in hardship cases. FIP is not an entitlement program.

Who

- The typical FIP recipient in Iowa is a single, 20-29 year-old, high school educated, Caucasian female with two children who receives food assistance and Medicaid services. An average of 16,127 families per month were served in SFY08.
- In SFY08, 75 percent of recipients were one-parent families, 7 percent had both parents in the home, and 18 percent were children living with a relative. Many children in this last group were placed with relatives in child welfare cases (stemming from abuse allegations).
- Iowa's FIP caseload has dropped sharply (58 percent) since 1994, when the average monthly caseload was 38,000. The initial steep decline is now more gradual. Many families remaining on assistance have multiple barriers to self-sufficiency.

What

- FIP provides monthly cash payments based on family size and income. The average grant was \$320.22 in FY08.
- The average time a family receives FIP is 22.1 months.
- Only families with a hardship preventing them from being self-supporting can get FIP beyond the 60-month lifetime limit. In SFY08, an average of 239 cases a month were receiving benefits due to the hardship exception.
- Adults must work toward self-sufficiency in exchange for payments. They receive employment and training services via the PROMISE JOBS contract with the Iowa Department of Workforce Development. The federal Deficit Reduction Act of 2005 has required increased emphasis on work-related activities.
- The earned income disregard, raised in FY08, provides an increased work incentive.

How are We Doing?

- 73.7% of families that left FIP in July 2007 stayed off FIP for at least one year, as of July 2008.

